



U.S. DEPARTMENT OF ENERGY  
Office of Electricity Delivery and  
Energy Reliability

# ENERGY ASSURANCE DAILY

Monday, March 27, 2006

## *Electricity*

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### **Update: NRC Will Investigate Leaks in Containment Building at Vogtle Nuclear Plant in Georgia**

The Nuclear Regulatory Commission has sent a team to Southern Company's 1,149 MW Vogtle nuclear generating station in Georgia to investigate a series of small leaks that have occurred in the heat removal system inside the containment building at the plant. Although the NRC maintains that none of the leaks have posed a health or environmental threat, the NRC is investigating to determine the cause of the repeated leaks in a single five foot-long pipe.

Reuters, 13:09 March 27, 2006.

### **Update: APS' 1,243 MW Unit 1 at Palo Verde Nuclear Plant to Remain Shut Until Vibration Problem Corrected**

On March 27, Pinnacle West's subsidiary Arizona Public Service announced that the 1,243 MW unit 1 at its Palo Verde nuclear generating station in Arizona will remain shut until the problem that is causing a pipe to vibrate is found and corrected. The facility had been operating at reduced power since the problem developed on December 25, 2005.

Reuters, 09:06 March 27, 2006.

### **Update: TVA's 1,127 MW Unit 2 at its Sequoyah Nuclear Plant At Full Power in Tennessee**

The unit was shut on March 22 when an electrical fault indicator tripped the main generator.

Reuters, 09:16 March 27, 2006.

### **Progress Energy's 838 MW Unit 3 at its Crystal River Nuclear Plant Exits Outage in Florida**

The unit was shut on March 18 to repair a step-up transformer.

Reuters, 07:36 March 27, 2006.

### **PSEG's 1,130 MW Unit 2 at its Salem Nuclear Plant in New Jersey Shut March 27**

Reuters, 07:28 March 27, 2006.

### **Reliant's 215 MW Gas-fired Unit 2 at its Mandalay Facility in California Shut March 26**

Reuters, 13:26 March 27, 2006.

### **Mirant's 206 MW Gas-fired Unit 3 at its Potero Facility in California Shut March 26**

Reuters, 13:26 March 27, 2006.

## Petroleum

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### **Update: Restart of Hovensa Refinery in Virgin Islands Delayed a Week**

According to traders familiar with the refinery, restart of the 140,000 b/d cracking unit at the 495,000 Hovensa refinery in the Virgin Islands has been delayed by about one week. The refinery is a joint venture between Amerada Hess and Petroleos de Venezuela.

Reuters, 12:57 March 27, 2006.

Reuters, 11:34 March 27, 2006.

### **Fire at Tosco's 168,000 b/d Refinery Near San Francisco had no Impact on Production**

A fire at Tosco's 168,000 b/d Golden Eagle refinery located near San Francisco, California occurred on March 24. On March 27, the company announced that the fire will have no impact on production from the refinery.

Reuters 11:16 March 27, 2006.

### **Production Glut in Canada Hampering Crude Deliveries to U.S.**

As production surges from the oil sands projects in Canada, producers are faced with bottlenecks as space on pipelines in the region becomes very tight. According to the latest data, imports of Canadian crude oil into the midwest rose by 164,000 bpd in January compared with the amount imported in January 2005. Analysts say the problem is likely to last until new pipeline projects planned for the area are in operation.

Reuters, 11:16 March 27, 2006.

### **Update: Shell Hostages Released in Nigeria but Company Won't Resume Shut Production Until Region is Safe**

Three Shell oil workers abducted during an attack by militants on February 18 were released Monday. The three were the last of nine hostages to be freed by Ethnic Ijaw rebels who had kidnapped the workers during a wave of attacks in February which damaged the Forcados export terminal and two pipelines. Despite the release, Shell indicated on March 26 that it would not resume normal oil production in Nigeria until the region was safe for its workers and facilities; Shell has declared Force Majeure on 455,000 b/d of production in the region. On March 27, the militants threatened to abduct more hostages.

<http://www.voanews.com/english/2006-03-27-voa22.cfm>

<http://www.alertnet.org/thenews/newsdesk/L27623069.htm>

Reuters, 03:27 March 27, 2006.

## Natural Gas

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### **Update: Williams Says Repairs from Hurricane Damage to Transco Nearly Complete, Line to be Back in Two Weeks**

The Williams companies announced that repairs to its Transcontinental Gas Pipeline, out of service since it was damaged by Hurricane Rita last September, are nearing completion. The company anticipates that the line will be back in service in two weeks and that most of the 175 million cf/d of gas that has been shut-in since the hurricane would be flowing at that time.

Reuters, 11:34 March 27, 2006.

## Other News

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### **National Coal Council Study Recommends More Coal Use**

A study requested by U.S. Energy Secretary Samuel Bodman recommends that the U.S. maximize use of abundant coal for clean electricity generation, transportation fuels, natural gas, hydrogen, and ethanol over the next 20 years.

[http://uaelp.pennnet.com/Articles/Article\\_Display.cfm?ARTICLE\\_ID=250969&p=22](http://uaelp.pennnet.com/Articles/Article_Display.cfm?ARTICLE_ID=250969&p=22)

Ground was broken for the 50 million gallon per year Blue Flint Ethanol plant in Underwood, ND on March 17 and construction is now underway. The facility is expected to become operational during the first quarter of 2007. Reuters, 07:27 March 27, 2006.

U.S. Oil and Gas Prices			
March 27, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	63.75	60.31	49.70
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	7.05	7.00	7.07

## Energy Notes

<http://powermarketers.net/content/inc.net/newsreader.asp?ppa=8kowu%5D%5BgklotqqWUj%216%3C%22bfe%5D>

Natural Gas Week, March 27, 2006.

<http://go.reuters.com/newsArticle.ihtml?type=domesticNews&storyID=11629818&src=rss/domesticNews>

<http://biz.yahoo.com/prnews/060327/clm023.html?v=45>

<http://www.kxan.com/Global/story.asp?S=4684129&nav=0s3d>

Reuters, 07:50, March 27, 2006.

Reuters 19:02 March 24, 2006.

Reuters, 05:39 March 27, 2006.

## **Saudi Oil Executive Says Refinery Capacity Shortfall to Persist Even as New Capacity Comes on Line**

Bloomberg, 02:24 March 27, 2006.

## **High-Sulfur Crude Oil: A Growing Share of World Production**

Bloomberg, 13:51 March 27, 2006.

## **Orders for New Oil Tankers Surge As New Design Regulations About to go into Effect**

Bloomberg, 09:40 March 27, 2006

## **Links**

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

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<http://www.oe.netl.doe.gov/ead.aspx>